Catholic Trust for England and Wales

Annual Report and Financial Statements

31 December 2009

Company Registration Number
4734592

Charity Registration Number
1097482

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Reference and administrative details of the charity, its trustees and advisers

Registered name	Catholic Trust for England and Wales
Charity Registration number	1097482
Company registration number	4734592
Principal office	39 Eccleston Square London SW1V 1BX
Trustees	Rt Rev Malcolm McMahon OP (Chair) Mgr Michael McKenna (Vice-Chair) Mr Ben Andradi Ms Alison Cowdall Mr John Gibbs Mr Peter Lomas Canon Nicholas Rothon Mr Robin Smith Dr James Whiston
Company Secretary	Fr Marcus Stock (from November 2009) Mgr Andrew Summersgill (to November 2009)
Management Group	Fr Marcus Stock (from November 2009) – General Secretary Mgr Andrew Summersgill (to November 2009) – General Secretary Alexander DesForges – Director CCN Mgr Andrew Faley – Assistant General Secretary Laurence Fenton – Assistant General Secretary - Operations Michaela Kelly – Human Resources Manager Sarah Pearson – Finance Manager David Ryall – Assistant General Secretary Lorraine Welch – PA to the General Secretary Charles Wookey – Assistant General Secretary
Auditors	Kingston Smith LLP Devonshire House 60 Goswell Road London EC1M 7AD
Bankers	HSBC plc 69 Pall Mall London SW1V 5EY

Reference and administrative details of the charity, its trustees and advisers

Solicitors	DLA Piper LLP 3 Noble Street London EC2V 7EE
	Jose Perez Rue Marques da Fronteira 1070-295 Lisboa Portugal
	Kate Banerjee Jones Myers Solicitors The Pearl Building 22 East Parade Leeds LS1 5BZ
Investment Managers	Williams de Broe (from September 2009) Austin Friars House 2 – 6 Austin Friars London EC2N 2HD
	HSBC Investment Management Limited (to September 2009) 78 James Street London SW1A 1HL

Structure, Governance and Management

The trustees, who are the directors for the purposes of company law, present their annual report and the financial statements of the Catholic Trust for England and Wales (CaTEW) for the year ended 31 December 2009.

This report has been prepared in accordance with Part VI of the Charities Act 1993 and Schedule 415 of the Companies Act 2006.

Constitution

The Catholic Trust for England and Wales was incorporated as a company limited by guarantee on 15 April 2003 and is registered as a charity. The Trust's governing document is the Memorandum and Articles of Association.

Principal aims

The Trust promotes the Catholic religion principally, but not exclusively, in England and Wales. CaTEW has brought together predecessor charities that existed to support the work of the Catholic Church in these countries. It supports the charitable, financial and legal activities of the Catholic Bishops' Conference of England and Wales, its agencies and offices.

Trustees

The retirement by rotation, and re-election procedures for the trustees are set out in the Memorandum and Articles of Association. There must be a minimum of eight trustees, but there is no maximum.

The trustee selection process aims to ensure that the trustee board collectively has the skills and experience to properly fulfil its functions. Trustees are sought through an extensive process of nomination in which candidates are evaluated against clear specifications.

In keeping with the Trust's objectives, it is a requirement that candidates are committed Catholics. In order to properly discharge their duties, trustees are provided with an induction. Background information on the charity's constitution, objects and finances, together with an introduction to the structure and workings of the Trust and material explaining trustees' legal responsibilities, is provided. Where trustees identify a need for training to effectively carry out their duties, appropriate resources are identified and training provided.

Trustees serving throughout the year and at the date on which this report was signed are shown on page 1.

Trustees' responsibilities statement

The trustees (who are also directors of Catholic Trust for England and Wales for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice.)

Company law required trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;

Trustees' responsibilities (Statement continued)

- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Organisational structure

The governance of the charity is accomplished through the Annual General Meeting with the members, meetings of the Board of Trustees and its constituent committees. The day to day management of the charity is delegated to the Management Group, detailed on page 1 of this report, and is supervised through the constituent committee meetings.

Risk assessment

The trustees annually assess the major risks to which the charity is exposed, in particular those relating to specific operational areas of the charity, its investments and its finances by identifying and ranking risks in terms of their potential impact and likelihood. The trustees believe that by monitoring reserve levels, ensuring controls exist over key financial systems, and examining the operational and business risks faced by the charity they are developing appropriate management strategies, and are establishing effective systems to mitigate these risks.

Majors risks that have been identified are:

- The visit of His Holiness, Pope Benedict XVI to the UK has significant financial implications, as well as requiring significant resources from the Trust to allow the visit to proceed, The Papal Visit therefore poses both a financial and operational risk to the Trust during 2010;
- As CaTEW operates to a static levy, and operating costs are rising, it is necessary to find alternate sources of income to fund the ongoing work of the Bishops' Conference. Effective use of resources and achieving economies of scale are related areas which need to continue to be addressed.

Subsidiary company

The charity has a wholly owned subsidiary company Colloquium (CaTEW) Limited. The company was incorporated on 15 April 2003. Its results are included in the consolidated financial statements presented with this report. *Colloquium collects royalties from the sale of publications by the Bishops' Conference.*

Relations with other Charitable Organisations

At the request of the Bishops' Conference of England and Wales and with the agreement of the Irish Episcopal Conference and the Bishops' Conference of Scotland, CaTEW assumed the corporate trusteeship of the Linacre Centre for Healthcare Ethics (Registered Charity Number 274327) on 27 February 2006.

On behalf of the three Bishops' Conferences mentioned above, the Trust acquired premises for the St Luke's Centre (Registered Charity Number 1111058), a wellness centre for priests and religious, and acts as the landlord for the centre.

As the administrative arm of the Bishops' Conference of England and Wales, the Trust has close links with the Diocesan charities. through which the annual assessments are made. The Trust relates to the charities of religious congregations within the Conference of Religious, particularly through its provision of the administrative, legal, human resource and financial management for the Catholic Safeguarding Advisory Service (CSAS). The Trust also relates closely to those agencies of the Bishops' Conference that exist as independent charities. The main ones being the Catholic Agency for Overseas Development (CAFOD), the Catholic Education Service, Caritas-Social Action Network, the Pontifical Mission Societies, the Catholic Agency for Racial Justice and the Apostleship of the Sea. The Trust provides office accommodation for the National Justice and Peace Network, CTBI and CMA.

Objectives and Activities

In order to fulfil its charitable aims and objectives, the activities of CaTEW are determined by the requirements of the Bishops' Conference of England and Wales.

The Catholic Bishops' Conference of England and Wales is a permanent body within the organisation of the Catholic Church that brings together the Bishops of England and Wales. As a Conference the Bishops "jointly exercise certain pastoral functions for the Christian faithful... in order to promote the greater good which the Church offers to humanity, especially through forms and programs of the apostolate fittingly adapted to the circumstances of time and place" (cf. *Code of Canon Law* can 447).

The departments of CaTEW identify the present broad areas of activity for the Bishops in supporting the Dioceses of England and Wales and witnessing to the Gospel in the contemporary world: Catholic Education and Formation, Christian Life and Worship, Christian Responsibility and Citizenship, Dialogue and Unity, Evangelisation and Catechesis and International Affairs.

Public Benefit

Through the work of the agencies, departments and projects set out below, the Trust, in line with the Church's teachings, looks to ensure the moral and spiritual well being of the individual, and to help discern the common good, being what is best for all in society.

As well as the promotion of Catholicism and the application of the Gospel's teachings to the modern day world, the Trust supports ordinary people to live out their faith through guidance at a local level as well as advancement and direction of national policy.

The details of individual projects which are of public benefit can be found further below in the report.

Public Benefit (continued)

As well as working on behalf of existing Catholics, the Church is open to and welcomes Catholics and non-Catholics alike. The work of the Trust contributes to the sum of public knowledge by publishing items which impact on Catholic life and detailing the work of the Trust on its website and via its media service and resources, both of which are freely available to all.

The trustees have referred to the charity commissioners' general guidance on Public Benefit when reviewing aims and objectives in planning the Trust's future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives which have been set.

Catholic Education and Formation – Chairman: Rt Rev Malcolm McMahon

The Department for Education and Formation supports the CESEW, which is a distinct charity funded through a separate assessment from Dioceses, in the promotion of church schools.

The department also advises the Bishops' Conference on how best to promote and facilitate formation at every stage for formally authorised lay and ordained pastoral ministries.

The National Office for Vocation (NOV), works in collaboration with local and national agencies to support the promotion of 'vocation' within the Catholic community. This includes the calling to marriage, to single life, to the diaconate as well as priesthood and consecrated life.

The office continues to develop its media strategy to show Christian values and vocation in action and the real and relevant place it can have in society today.

The office produces both internet-based and printed materials; these are particularly important to the smaller dioceses that may not have the resources to produce their own. In 2009, prayer cards were produced in response to the special 'Year for Priests' announced by Pope Benedict XVI for every parish for prayers for priestly vocations and those in the priesthood.

The office co-ordinates national selection policy and undertakes the induction of new Diocesan Vocations Directors to ensure careful selection of candidates. The office also has responsibility for collating statistics, participating in the European Vocations Service and ecumenical dialogue and collaboration specifically in the field of vocations ministry.

Christian Life and Worship – Chairman: Rt Rev Arthur Roche

The Department for Christian Life and Worship advises the Bishops' Conference on matters relating to liturgy, music and architecture.

The preparation for the publication of a new English Translation of the Roman Missal remains a key area of work for the department both on the publication of the text and the process of its implementation. The introduction of the new text will be a major landmark in the life of the Church in England and Wales and will affect the live of every Catholic parishioner.

The website of the Liturgy Office offers a wide range of liturgical resources for parishes and individuals. Achievements include the growing provision of liturgical documents online as a reference for those engaged in liturgical formation, and the annual liturgical calendar.

Supporting material and resources will now be developed to help dioceses deliver the various modules of the syllabus for the formation of lay liturgical ministers.

Christian Life and Worship (Continued)

The Committee for Spirituality holds an annual gathering of those who responsibility at diocesan level for spirituality. More local meetings with dioceses, which more people can attend, will enable people to learn about what is happening and also encourage networking.

The Committee for Patrimony held its annual conference for diocesan Historic Churches Committees at St Paul's Cathedral, London. Speakers looked towards the future and the challenge of balancing heritage with the community and available resources. The importance of forward planning, looking at imaginative ways forward and working in collaboration with partners were all highlighted. The Committee is now looking to set up a partnership with English Heritage.

Christian Responsibility and Citizenship – Chairman: Most Rev Peter Smith

The Department and its associated agencies assist both Diocesan Bishops and the Bishops' Conference collectively in promoting Catholic social action and in contributing to domestic public policy (excluding international affairs).

Support of marriage and family life –

The Celebrating Family Fund, established as a result of Faith in the Future, has provided for the extension of essential pastoral support for marriage and family life across England and Wales. 14 projects are currently being funded 2008-2011, benefiting couples and families in 16 dioceses, in response to locally identified needs.

The key impact has been:

- Development of coordinated services for marriage and family life in dioceses where this had previously been hampered by lack of resources;
- Extension of services, usually to parents, in dioceses where existing capacity had already been reached;
- Dedicated delivery of Celebrating Family priorities identified through the Bishops' 2004 family listening process.

11 dioceses have benefited from a new part-time project worker. 11 dioceses have identified key personnel to undertake an MA in Leadership for Family Ministry and Faith Formation. The Fund has also allowed for the employment of a national part-time Project Support Worker to provide advice, training and support to all the projects benefitting from this fund. Wherever possible, all these benefits have been made available to dioceses who are still awaiting funding to extend their marriage and family life ministry. Along with this the office also undertook the following activities:

Two inter-diocesan events were organized to review good practice and positive outcomes arising from the multimedia *Home is a Holy Place* resource pack, a toolkit for raising awareness of family spirituality.

The Project Office published National Family Week resources to encourage Catholic families and their parishes to celebrate family life.

The Office also coordinated an inter-agency team charged by the Department with developing a pastoral and practical response to the issue of domestic abuse.

The Project Office identified a need to clarify the availability and content of marriage preparation programs across England and Wales during 2010.

Christian Responsibility and Citizenship (Continued)

Support for marginalized and vulnerable people –

Caritas Social Action - A grant to Caritas Social Action Network' (CSAN) from the Department of Christian Responsibility and Citizenship was used to support CSAN's co-ordination and advocacy activities in furtherance of this strategic aim. The outcomes of these were:

- The development of special interest forums and a secure extranet for staff of member organisations, Older People's Services, Schools Services, Children & Families Services
- Enabling staff of CSAN's member organisations to exchange best practice through the above forums
- A residential conference on catholic social action entitled From Exclusion to Equality
- Commissioning and publishing a report mapping services for older people provided by the Catholic community in England and Wales
- Producing a highly acclaimed training DVD on the spiritual care of people with dementia

The impact of the grant is that:

- beneficiaries of CSAN's member organisations receive a service which is focused on best practice
- Directors and trustees of the diocesan care agencies and those run by religious orders are better equipped with the information they require to make appropriate and prudential decisions

The department through a grant to the Catholic Association for Racial Justice (CARJ) also continued to support a Network for Catholics working with Gypsies, Roma and Travellers with regular bulletins and an annual gathering in March 2009 .

A further project begun in 2009 concerned a review of the support of Catholic prison chaplains and preliminary research work leading to the establishment of a Criminal justice reference group in 2010 to promote the Church's mission in the field of Criminal justice

Life issues and the dignity of the person –

The Bishops produced a briefing which was circulated to all parishes in England and Wales to encourage wide participation in the consultation on the law re assisted suicide, reaching an estimated 1 million church going Catholics. This action resulted in Effective mobilization of catholic community in responding to DPP draft guidelines on prosecuting cases of assisted suicide. The DPP final guidance published in Feb 2010 was substantially amended to meet the concerns expressed by the Church and others.

The Healthcare reference group continued its work of supporting hospital chaplaincy and Catholics in Healthcare by preparing a second major residential conference - Faith in Health - to take place in June 2010. A key outcome of this group's work has been the further development of a network of Catholics in healthcare within the NHS.

In addition, department staff were involved during the year with advocacy work on behalf of the Bishops on various human rights issues:

A key area of work was the Equality Bill, seeking to ensure that religious bodies can continue to operate in accordance

Christian Responsibility and Citizenship (Continued)

with their beliefs. A detailed submission to the public consultation on the Bill was made and a written briefing was provided to Catholic MPs; Oral evidence was given to the Public Bill Committee; The Department replied to the public consultation on Specific Duties and – as the Bill advanced to the House of Lords – sent a comprehensive briefing to all Catholic Peers. There has also been continuous dialogue with Ministers and Officials, including with the Government Equalities Office the Equality and Human Rights Commission, and in the House of Lords.

The key impact has been a number of amendments having been made to the Equality bill and guidance to meet the concern expressed. Problematic clauses in the Bill were defeated in the House of Lords as a result of effective advocacy by the Bishops Conference.

The policy unit has also been active on EU issues in Brussels dealing directly with the Equal Treatment Directive and discrimination on the basis of sexual orientation and gender identity, submitting a report on the new European Citizens' Initiative.

Day for Life

The 2009 collection raised increased awareness within the Catholic community and beyond about the Church's teaching on suicide. Very favourable coverage within the mainstream news media. Potential audience reach – 2 million. The Day for Life 2009 collection generated over £250,000 of which a significant proportion has been given to charities which support life from natural conception to natural death.

Catholic Parliamentary Internship scheme

The department is also responsible for the Catholic Parliamentary Internship scheme, which placed 7 graduates in 2009-10 in this highly successful and innovative scheme. Now in its seventh year this scheme provides recently graduated Catholics with an intensive experience of political and social action in a spiritual context.

The department also organised a seminar held in Schroders bank with Archbishop Nichols and senior City figures to reflect on leadership in the financial sector – a moral and spiritual challenge. This event followed the publication of the new papal encyclical on social teaching and was very well received, and will lead to further events in 2010.

Dialogue and Unity – Chairman: Most Rev Kevin McDonald

The Department of Dialogue and Unity sets out to engage in dialogue and outreach with other Christian traditions and other faiths. This is achieved through the work of each Bishop within the Department, supported by the department committees. The department is committed to engage with the agenda of social cohesion within society in England and Wales.

The Department has pursued two major objectives during 2009:

- To develop coherent ecumenical bi-lateral dialogues through the local Anglican – Roman Catholic Committee, the British Methodist – Roman Catholic Committee, the United Reformed – Roman Catholic Committee, the Catholic - Oriental Orthodox Forum, with the Lutheran Church in England and with the Baptist Union of Great Britain;

- To complete the writing of a Bishops' teaching document on relations with Other Faiths for publication in 2010.

The Department has also continued to provide on-gong formation for diocesan workers in the areas of ecumenical and

Dialogue and Unity (Continued)

relations with other faiths. The Department has also continued to explore dialogue with non-believers.

Funds have been used to drive a series of meetings to pursue the objectives described above. Work outcomes are measured primarily by the quality of relationships that lie at the heart of the Department's purpose and work on behalf of the Bishops. Consequently the outcomes can be described as:

- the development of relationships with other Christians and other religions;
- maintaining a consistent approach to Catholic truth and the truth held by the other religious traditions.

Work over the past year has led to a better understanding of other faiths and improved relations and greater cohesion by strengthening relationships.

Evangelisation and Catechesis – Chairman: Rt Rev Kieran Conry

The Department of Evangelisation and Catechesis helps Catholics to understand and live out their faith by following Christ's command to spread the Good News of the Gospel.

The Department has managed the review of the Catholic Agency to Support Evangelisation (CASE), which supported the Bishops in their decision to close the agency and re-allocate its resources, including the Catholic Enquiry Office, to other parts of the Trust.

The Department has supported an initiative to support the development of skills for theological literacy among adult Catholics.

Following the review of provision for youth ministry within the Dioceses, the Bishops have given their support to the newly-established Catholic Youth Ministry Federation (CYMFed), asking the Department to set up a national youth desk to liaise with CYMFed, and to oversee national and international youth ministry matters such as Youth Sunday and World Youth Day. The Department has also continued to support the writing of national guidelines for the support of youth ministry by diocesan youth workers. This has ensured a greater control of and opportunities for Diocesan Youth Officers to develop Youth strategy.

International Affairs – Chairman: Rt Rev Declan Lang

The Department of International Affairs and its associated agencies assist both diocesan Bishops and the Bishops' Conference in developing their policy on international affairs.

The Department maintained its focus on outcomes involving its major issues: Religious freedom and supporting the Church in the Middle East; Migration; the global common good project; the environment; and European liaison with COMECE and CCEE.

These five areas continue to be a priority for the bishops after a careful analysis of needs and resources with other bishops' conferences and the Holy See.

Impacts generated by the Department were the successful launch of the Friends of the Holy Land (FHL) organisation in partnership with the Knights of the Holy Sepulchre. The FHL is now present in several dioceses and the Latin Patriarch, His Beatitude Fouad Twal along with the patrons Archbishop Vincent Nichols and Archbishop Patrick Kelly, were present when the FHL was inaugurated at the plenary meeting of the Bishops' Conference of England and Wales.

International Affairs (Continued)

The Department's Office for Migration Policy maintains its witness in this key area, assisted by a close relationship with Caritas Social Action. Human trafficking remains a major concern for the Office and staff took part in a European Justice and Peace initiative in the Ukraine intended to develop cooperation amongst Church agencies on this grave problem. Outcomes included working with the Borders Agency on concerns surrounding the implementation of the Points Based System; and growing collaboration with overseas bishops' conferences and the Pontifical Council, such as hosting

planning sessions at its Rome Congress in November.

The Department's objectives for 2010 include the creation of a national Catholic Migration Forum; developing further links in support of the Zimbabwean Bishops' Conference.

Catholic Communications Network (CCN) – Chairman: Rt Rev George Stack

CCN provides a communications service to Bishops, the Bishops' Conference departments and agencies. The team responds to enquiries from all media and supports Bishops in communicating their objectives, offering advice and implementing agreed strategies.

The Bishops' Conference website (www.catholicchurch.org.uk) acts as the point of reference for all information on the Bishops' Conference of England and Wales, its departments, agencies and offices, while serving as a general portal to the Catholic Church in England and Wales, Catholicism in general and the Catholic Church worldwide. It also provides an effective online news and information service, with over 30,000 unique visitors each month.

The Catholic Bishops' Conference of England and Wales Flickr gallery has attracted nearly 700,000 visitors since it was first created in August 2008. This site is free to use, so many of the photos have gone onto be published within the Catholic and diocesan press, diocesan websites, as well as the national and international media. Accreditation is given to Mazur/www.catholicchurch.org.uk. The audience reach in 2009 was many million people.

During 2009, major events included the announcement and installation of the Archbishops of Westminster and Birmingham. Considerable resource was also devoted to supporting the tour of the relics of St Therese, the corresponding St Thérèse of Lisieux Flickr gallery attracted over 300,000 visitors and the web blog over 55,000 visitors. which led to National and International media coverage of the event with a potential audience of 7 million people. A full colour St Thérèse of Lisieux supplement was produced by the CCN.

During 2009 the CCN carried out media training for the Bishops' in England & Wales and relevant Diocesan staff, including Diocesan Communications Officers. It also ran media training for Seminarians at the English College in Rome, and expert lay spokespeople as well as holding several media briefings with religious, Catholic and secular correspondents around key areas of national interest.

This year, CCN launched a monthly e-newsletter newsletter highlights the work of the Conference and is distributed to every diocese and in turn to every parish in England and Wales (a potential reach of nearly 1 million people).

The CCN also continues to run a support group for Catholics working in the mainstream media, at the request of a senior news anchor Catholic in Media, co-ordinated by the CCN, this group provides spiritual support and theological sustenance to Catholics working in the mainstream media (including senior news anchormen and anchorwomen). The meetings have been a great success – drawing Catholics from the mainstream press, the BBC, ITN and public relations consultancies.

Activity in 2010 will focus on the proposed Papal visit with significant development of the website and new media. This

Catholic Communications Network (CCN) (continued)

will require significant resource to ensure a successful visit and also to make the most of this unique opportunity to bring the message of the Catholic Church to as broad an audience as possible.

Catholic Safeguarding Advisory Service (CSAS) – Chairman: Rt Rev Declan Lang

CSAS has been established to be responsible for driving and supporting improvements in practice. Its primary role is one of co-ordination, advice and support in respect of the wider job of safeguarding children, young people and vulnerable adults.

2009 saw this integration completed with clear benefits to the coherence of safeguarding work and the identification of joint project working on issues such as domestic abuse which touch on various areas of the departments work.

During the year CSAS completed a series of presentations across the Church. These were extremely well received, focussing as they did on the practical implications and impact of the Vetting and Barring Scheme to be introduced in 2010 and its role within safeguarding arrangements and safe recruitment practice in parishes and congregations.

CSAS has continued to work as one of the top 10 Registered Bodies in the country for CRB disclosures, providing a platform for linking with the CRB, Independent Safeguarding Authority and DCSF to ensure that developments at government level are informed by our circumstances and requirements.

CSAS has worked closely with the NCSC in managing the newly developed National Review and Independent Investigation protocols, designed to afford a greater level of consistency and transparency in dealing with safeguarding concerns within the Church.

Grant-Making Policy

A significant part of the support offered by the Bishops' Conference to national initiatives is through the grants that are made by the Trust. The Trustees have therefore agreed a grant making policy to be applied by the Grants Committee.

Many of the bodies receiving grants from CaTEW have been established or promoted by the Bishops' Conference and are charitable Trusts. The subscriptions to the Ecumenical Instruments are transferred to Churches Together in Britain and Ireland, a charitable Trust established as part of the ecumenical relations between the Churches in these countries.

Achievements and performance

Faith in the Future

Faith in the Future, the Trust's fundraising initiative, has continued its work throughout the year.

Faith in the Future is led by an Assistant General Secretary, has two development officers, a part time consultant, and a trustee of CaTEW has particular responsibility for fundraising. At the end of 2009 £4.02 million had been raised in gifts and pledges to support the work of *Faith in the Future;* £3.2 million of which had been actually received.

Other activities

The UK Government and the Catholic Bishops' Conferences of Scotland, England and Wales have welcomed the forthcoming visit to the United Kingdom of His Holiness Pope Benedict XVI. The Papal Visit represents an unprecedented opportunity to strengthen ties between the UK and the Holy See on global initiatives, as well as the important role of faith in creating strong communities.

Other activities (Continued)

Her Majesty The Queen announced that the visit will take place from 16-19 September. It will be the first ever official Papal Visit to the UK as the visit by Pope John Paul II in 1982 was a pastoral visit only.

The Pope will be received at the Palace of Holyrood House by Her Majesty The Queen. His Holiness will give a major speech to British civil society at Westminster Hall. He will also visit the West Midlands to beatify the nineteenth century theologian and educationalist Cardinal John Henry Newman at a public mass in Coventry.

Other key elements of the visit will include a public mass in Glasgow, a prayer vigil in London and an event focusing on education. Relations between the Christian Churches will be a theme of the visit as will the relations between the major faiths. The Pope will visit the Archbishop of Canterbury at Lambeth Palace and pray with other Church leaders at Westminster Abbey.

Full details of the Pope's itinerary will be announced nearer the time.

As well as providing spiritual leadership to over a billion Catholics around the world, including six million in the UK, the Pope and the Holy See have great influence on global policy in areas such as international development, sustainability and the relationships between religions.

The Papal visit represents an unprecedented opportunity to strengthen ties between the UK and the Holy See on action to tackle poverty and climate change as well as the important role of faith in creating strong and cohesive communities. We aim to build further on the positive relationship we have developed in recent years.

Income and Expenditure

In 2009 the income of the Trust from all sources was £3,663,754. The main sources are assessments on the Dioceses of England and Wales mandated by the Bishops, and parish collections agreed by the Bishops for the purposes of the Bishops' Conference and associated agencies and offices. Authorised parish collections received by CaTEW are taken on Home Mission Sunday (to support Evangelisation work), World Communications Day (to support CCN) and the Day for Life (to support the Linacre Centre and the pro-life activities of the Conference).

Other income is derived from investments, grants and property. During 2009 the Trust continued to develop the *Faith in the Future* fundraising capacity which during this year raised £545,141.

Total expenditure for the year was £3,670,259. The expenditure of the Trust in pursuing the activities of the Bishops' Conference is illustrated below in terms of the departments of the Conference, agencies, offices and other expenditure. It is analysed in detail in the accounts attached to this report:

CaTEW employs staff to carry out the work of the Departments, which also rely heavily on the participation of volunteers who serve as committee members and advisers.

Achievements and performance

Financial review

The results for the year are shown on page 18. A detailed analysis of the results is provided on pages 22 to 39. The net movement in funds for the year was a surplus of £369,207 (2008 - £327,071).

Financial review (Continued)

The balance sheet shows total reserves of £10,449,485. Restricted funds of £2,172,100 represent unexpended balances held on trust to be applied for specific purposes. A further £6,846,116 has been set aside as designated funds as it is either tied up in fixed assets or designated for a specific future use and so not freely available. Designated funds include: £3,416,778 which represents the net book value of the charity's tangible fixed assets, £1,991,282 which represents the value of the investment properties, £1,389,628 which represents the value of the programme related investments and £48,428 which represents an amount set aside for the 2010 Ad Limina. The remaining funds amounting to £1,393,337 are the general funds or 'free' reserves as defined by the Charity Commission and are discussed in the following paragraphs.

Reserves policy
CaTEW's operational policy is to try to ensure that it has adequate free reserves to meet its continuing charitable obligations and day-to-day working capital requirements.

CaTEW is reliant upon Diocesan assessments for a significant proportion of its income, which are agreed annually by the Bishops' Conference.

Currently, CaTEW aims to have the equivalent of up to one year's unrestricted expenditure (approximately £1,900,000) in free reserves as defined by the Charity Commission. This level will be kept under review to ensure that there are sufficient reserves to meet new initiatives from the Bishops.

The value of CaTEW's free reserves at 31 December 2009, following principles established by the Charity Commission, was £1,393,337 or nine months expenditure. The trustees are of the opinion that these are adequate but will try to increase the reserve to achieve the desired twelve month level and fall within the parameters set out in the above reserves policy.

Investment policy
The trustees have adopted a general statement of an ethical investment policy:

The Catholic Church's understanding of Ethical Investment is drawn from a series of "social encyclicals" which followed from Pope Leo XIII's own encyclical letter *Rerum Novarum* of 1891. That document set out to restore in contemporary industrial society the priority of the human over the economic, and the spiritual and moral over the material.

In the management of investments both Charity Law and Church teaching apply.

Under Charity Law, the trustees must seek to obtain the best financial return possible consistent with commercial prudence. Following the Church's teaching, the trustees also seek to maintain an ethical investment policy through a process of making value judgements about the products, services and corporate practices as well as their financial efficacy. Their judgements and decisions to invest or disinvest, and of seeking to change through shareholder action, reflect particularly that teaching which promotes the dignity and sanctity of human life and the importance of society in general.

This has been communicated to the investment managers of the Trust and, through regular meetings with them and periodic assessment by the Finance Investment Sub-Committee, its implementation is kept under review.

The trustees appreciate the importance of choosing a suitable long-term investment strategy and benchmark. The trustees' current investment strategy emphasises income generation as opposed to capital growth, with the aim being to produce an income yield of 3.5%. Accordingly, the investment managers are instructed to report against appropriate benchmarks. The portfolio achieved an average income yield of 3.8% in 2009.

Signed on behalf of the trustees

Trustee

Approved by the board on: 14 July 2010

Independent auditors' report to the members of Catholic Trust for England and Wales

We have audited the consolidated and parent charitable company's financial statements of Catholic Trust for England and Wales for the year ended 31 December 2009 which comprise the Consolidated Statement of Financial, the Consolidated and Charity Balance Sheets and the related notes. These financial statements have been prepared in accordance with the accounting policies set out therein.

This report is made solely to the charitable company's members, as a body, in accordance with chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken for no purpose other than to draw to the attention of the charitable company's members those matters which we are required to include in an auditor's report addressed to them. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and independent auditors

The trustees' (who are also the directors of the charitable company for the purposes of company law) responsibilities for preparing the Trustees' Annual Report for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for being satisfied that the financial statements give a true and fair view are set out in the Statement of Trustees' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view, have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice and have been prepared in accordance with the Companies Act 2006. We also report to you whether, in our opinion, the information given in the Trustees' Annual Report is consistent with the financial statements.

In addition, we report to you if, in our opinion, the charitable company has not kept adequate accounting records, if the chartable company's financial statements are not in agreement with the accounting records and returns, if we have not received all the information and explanations we require for our audit, or if certain disclosures of trustees' remuneration specified by law are not made.

We read the trustees' report and consider the implications for our report if we become aware of any apparent misstatements within it.

Opinion

In our opinion:

- the financial statements give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 December 2009 and of the group's incoming resources and application of resources, including the income and expenditure for the year then ended;
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;

- the financial statements have been properly prepared in accordance with the Companies Act 2006; and
- the information provided in the Trustees' Annual Report is consistent with the financial statements.

We read the trustees' report and consider the implications for our report if we become aware of any apparent misstatements within it.

Kingston Smith LLP

Neil Finlayson

Senior Statutory Auditor

Kingston Smith LLP
Devonshire House
60 Goswell Road
London
EC1M 7AD

For and on behalf of Kingston Smith LLP, Statutory Auditors

14/07/2010

Consolidated Statement of Financial Activities 31 December 2009
(Including Income and Expenditure Account)

	Notes	Unrestricted funds £	Restricted funds £	2009 Total funds £	2008 Total funds £
Income and expenditure					
Incoming resources					
Incoming resources from generated funds					
. Voluntary income					
.. Transfer of net assets from Catholic Students International Chaplaincy Fund		—	—	—	662,244
.. Diocesan assessments	1	1,667,848	—	1,667,848	1,743,040
.. Other voluntary income	2	56,593	1,463,717	1,520,310	1,895,454
. Activities for generating funds	3	17,620	—	17,620	15,348
. Investment income	4	277,481	7,156	284,637	464,224
Incoming resources from charitable activities	5	34,312	8,707	43,019	123,660
Income from sale of Lisbon Property		—	—	—	383,494
Foreign exchange gains					58,433
Other incoming resources		34,852	95,468	130,320	107,868
Total Incoming resources		2,088,706	1,575,048	3,663,754	5,453,765
Resources expended					
Costs of generating funds	6	20,078	239,385	259,463	422,543
Charitable activities					
. Bishops' Meetings, General Activities and Grant Making	8	516,547	—	516,547	485,765
. Catholic Education and Formation	9	95,467	40,034	135,501	154,716
. Christian Life and Worship	10	127,035	—	127,035	122,648
. Christian Responsibility and Citizenship	11	260,936	286,449	547,385	698,021
. Dialogue and Unity	12	218,300	13,261	231,561	280,035
. Evangelisation and Catechesis	13	131,711	317,634	449,345	562,709
. International Affairs	14	204,146	55,078	259,224	188,074
. Catholic Communications Network (CCN)	15	—	353,805	353,805	349,466
. Catholic Safeguarding Advisory Service (CSAS)	16	303,156	57,495	360,651	460,790
. Other Projects	17	—	408,095	408,095	434,780
Governance costs	18	21,647	—	21,647	21,962
Total resources expended		1,899,023	1,771,236	3,670,259	4,181,509
Net incoming resources before transfers and investment asset disposals		189,683	(196,188)	(6,505)	1,272,256
Transfers between funds	27	(80,715)	80,715	—	—
Net (outgoing) incoming resources before investment asset disposals		108,968	(115,473)	(6,505)	1,272,256
Realised gains (losses) on disposal of investments		1,811	—	1,811	(38,847)
Net incoming (outgoing) resources before unrealised gains (losses) on investments		110,779	(115,473)	(4,694)	1,233,409
Unrealised gains (losses) gains on investments		373,901	—	373,901	(906,338)
Net movement in funds		484,680	(115,473)	369,207	327,071
Fund balances brought forward at at 1 January 2009		7,792,705	2,287,573	10,080,278	9,753,207
Fund balances carried forward at 31 December 2009		8,277,385	2,172,100	10,449,485	10,080,278

All of the charity's activities were derived from continuing operations during the above two financial periods.

Balance sheets 31 December 2009

	Notes	Group 2009 £	Group 2008 £	Charity 2009 £	Charity 2008 £
Fixed assets					
Tangible assets	21	**3,416,778**	2,138,997	**3,416,778**	2,138,997
Investments					
. Listed investments, investment in subsidiary company and investment property	22	**5,350,931**	5,572,701	**5,375,931**	5,597,701
. Programme related investments	23	**1,389,628**	1,399,628	**1,389,628**	1,399,628
		10,157,337	9,111,326	**10,182,337**	9,136,326
Current assets					
Debtors	24	**262,311**	209,252	**260,786**	204,404
Cash at bank and on deposit		**1,322,693**	1,978,714	**1,281,351**	1,942,631
		1,585,004	2,187,966	**1,542,137**	2,147,035
Creditors: amounts falling due within one year	25	**(1,025,706)**	(641,239)	**(1,020,772)**	(638,240)
Net current assets		**559,298**	1,546,727	**521,365**	1,508,795
Total assets less current liabilities		**10,716,635**	10,658,053	**10,703,702**	10,645,121
Creditors: amounts falling due after one year					
Deferred income	26	**(267,150)**	(577,775)	**(267,150)**	(577,775)
Total net assets		**10,449,485**	10,080,278	**10,436,552**	10,067,346
Represented by:					
Funds and reserves					
Restricted funds	27	**2,172,100**	2,287,573	**2,172,100**	2,287,573
Unrestricted funds					
. Designated funds	28	**6,846,116**	3,408,997	**6,846,116**	3,408,997
. General fund		**1,393,337**	4,345,776	**1,418,336**	4,370,776
. Non charitable trading funds		**37,932**	37,932	—	—
		10,449,485	10,080,278	**10,436,552**	10,067,346

Approved by the trustees and authorised for issue on 14/07/10

Trustee

Approved on: 14 July 2010

Company registration number: 4734592

Principal accounting policies 31 December 2009

Basis of accounting

The financial statements have been prepared under the historical cost convention, as modified by the inclusion of certain tangible fixed assets at a valuation and the inclusion of investment assets at market value, and in accordance with applicable Accounting Standards (United Kingdom Generally Accepted Accounting Practice), the Companies Act 2006 and the Statement of Recommended Practice on "Accounting and Reporting by Charities" (SORP 2005).

Basis of consolidation

The consolidated financial statements represent the transactions and financial position of the charity and its wholly owned subsidiary. The charity has taken advantage of the exemption afforded in S230 of the Companies Act 1985 and has not presented its own statement of financial activities.

The results of the wholly owned subsidiary company Colloquium (CaTEW) Limited have been included on a line by line basis within the group financial statements of the charity excluding inter group transactions.

No separate statement of financial activities has been presented for the charity alone, as permitted by s408 of the Companies Act 2006 and paragraph 397 of SORP 2005. The Catholic Trust for England and Wales had total incoming resources of £3,663,754 (2008 – £5,453,765) and net incoming resources of £369,207 (2008 – £327,071).

Cash flow

The financial statements do not include a cash flow statement because the group, as a small reporting entity, is exempt from the requirement to prepare such a statement under Financial Reporting Standard 1 'Cash flow statements'.

Incoming resources

Incoming resources are recognised in the period in which the charity is entitled to receipt and the amount can be measured with reasonable certainty. Where income is received specifically for application in a future accounting period it is carried forward as deferred income in the balance sheet and recognised as income in that future accounting period.

Incoming resources are not recognised as income where the charity acts solely as a collection agent and has no control over the application of those funds.

Resources expended

Resources expended are included in the statement of financial activities on an accruals basis, inclusive of irrecoverable VAT, and comprise the following:

- The costs of generating funds include fees paid to investment managers in connection with the management of the charity's listed investments, and staff costs and other direct costs associated with fundraising and the generation of voluntary income.
- Charitable activities comprise expenditure on the charity's primary charitable purposes as analysed on the face of the statement of financial activities. This includes grants payable in support of other charitable organisations, which are included in the statement of financial activities when approved for payment. Provision is made for grants approved but unpaid at the year end.
- Governance costs comprise the costs directly attributable to the organisational procedures and necessary legal procedures for compliance with statutory requirements.
- Support costs represent indirect charitable expenditure. In order to carry out the primary purposes of the charity it is necessary to provide support in the form of personnel development, financial procedures, provision of office services and equipment and a suitable working environment. The costs are allocated to each charitable activity heading on the basis described in note 7.

Tangible fixed assets

All assets costing more than £500 and with an expected useful life of more than one year are capitalised.

Depreciation is provided at the following rates per annum in order to write the assets off over their estimated useful lives:

- Freehold buildings 1% reducing balance
- Furniture and equipment 25% on cost

A full years' depreciation is charged in the year of acquisition and none in the year of disposal. Where assets have been transferred from predecessor charities they have been initially recognised at the agreed value on transfer. In most cases this was the book value at the time of transfer. These assets are depreciated in equal instalments over the remainder of their useful life, measured from the time of their original acquisition. The Trustees review the valuation of the building annually for impairment in its value.

Listed investments, investment in subsidiary company and investment property

Fixed asset investments, excluding the investment in the trading subsidiary, are included in the financial statements at their market value as at the balance sheet date. Realised and unrealised gains (or losses) are credited (or debited) to the statement of financial activities in the year in which they arise. The investment in the subsidiary company is included in the financial statements at cost.

Programme related investments

These are shown in the balance sheet at cost. Any gain or loss arising from disposal or impairment is credited or charged to the statement of financial activities.

Funds structure

The charity holds restricted funds, representing monies raised for, and their use restricted to, a specific purpose, or donations subject to donor imposed conditions.

The remainder, and greater part, of the charity's funds are unrestricted, and can be used at the discretion of the trustees in furtherance of the charity's objectives. These funds are divided between funds designated by the trustees for specific purposes and funds available for general use.

Further details of the charity's funds are given in the notes to the financial statements.

Pension costs

Contributions in respect of defined contribution schemes are recognised in the statement of financial activities in the year in which they are payable to the scheme.

Leasing

Rental payable under operating leases are charges against income on a straight line basis over the lease term.

Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to statement of financial activities.

1 Diocesan assessments

	Unrestricted		
	General £	**Total 2009 £**	Total 2008 £
Arundel and Brighton	87,492	**87,492**	91,447
Birmingham	135,064	**135,064**	141,169
Brentwood	87,159	**87,159**	91,100
Cardiff	34,265	**34,265**	35,813
Clifton	55,888	**55,888**	58,415
East Anglia	30,439	**30,439**	31,816
Hallam	21,291	**21,291**	22,254
Hexham and Newcastle	103,959	**103,959**	108,659
Lancaster	42,083	**42,083**	43,985
Leeds	78,177	**78,177**	81,712
Liverpool	119,428	**119,428**	124,827
Menevia	333	**333**	348
Middlesbrough	29,940	**29,940**	31,294
Northampton	52,728	**52,728**	55,112
Nottingham	66,700	**66,700**	69,715
Plymouth	36,427	**36,427**	38,075
Portsmouth	82,835	**82,835**	86,580
Salford	116,933	**116,933**	122,220
Shrewsbury	81,837	**81,837**	85,536
Southwark	145,045	**145,045**	151,596
Westminster	251,998	**251,998**	263,390
Wrexham	3,327	**3,327**	3,477
	1,663,348	**1,663,348**	1,738,540
Contribution from Bishopric of the Forces	4,500	**4,500**	4,500
	1,667,848	**1,667,848**	1,743,040

Diocesan assessments are contributions from dioceses to support the work of the Bishop's Conference.

2 Other voluntary income

	Unrestricted funds £	Restricted funds £	**2009 Total funds £**	2008 Total funds £
Legacies	2,400	7,100	**9,500**	**24,990**
General donations	5,765	—	**5,765**	**2,380**
Grants receivable	—	—	—	**48,127**
Donations towards the costs of				
. Ad Limina	48,428	—	**48,428**	—
. Papal Visit	—	100,000	**100,000**	—
. Evangelisation (CASE)	—	33,234	**33,234**	**34,421**
. Parliamentary Internship Programme	—	3,046	**3,046**	**2,037**
. Vocations	—	283	**283**	**165**
. Ecumenical Instruments	—	3,000	**3,000**	—
. Youth work	—	—	—	**723**
. Holy Land & Middle East	—	2,205	**2,205**	**1,895**
. Relics of St Therese	—	11,669	**11,669**	**31,690**
Donations received from *Faith in the Future* fundraising initiative	—	545,141	**545,141**	**1,005,519**
World Communications Day	—	285,558	**285,558**	**235,856**
Day for Life	—	299,553	**299,553**	**324,468**
Home Mission Sunday	—	172,928	**172,928**	**183,183**
Total	56,593	1,463,717	**1,520,310**	**1,895,454**

3 Activities for generating funds

	Unrestricted funds £	Restricted funds £	**2009 Total funds £**	2008 Total funds £
Trading income of subsidiary	17,620	—	**17,620**	15,348

4 Investment income

	Unrestricted funds £	Restricted funds £	**2009 Total funds £**	2008 Total funds £
Income from listed investments				
. Fixed interest	58,317	—	**58,317**	81,681
. UK equities	24,551	—	**24,551**	89,156
. Overseas equities	5,411	—	**5,411**	15,366
. Common investment funds	4,038	—	**4,038**	6,906
. Other listed investments	12,083	—	**12,083**	4,293
	104,400	—	**104,400**	197,402
Income from investment property				
. Rental income	93,340	—	**93,340**	97,060
Other rent receivable	73,336	—	**73,336**	93,801
Interest receivable				
. Bank interest	6,405	7,156	**13,561**	75,961
Total	277,481	7,156	**284,637**	464,224

5 Incoming resources from charitable activities

	Unrestricted funds £	Restricted funds £	**2009 Total funds £**	2008 Total funds £
Conference income	34,312	8,707	**43,019**	123,660

6 Costs of generating funds

	Unrestricted funds £	Restricted funds £	**2009 Total funds £**	2008 Total funds £
Costs of generating voluntary income	—	—	**—**	
Fundraising costs				
. Staff costs	—	67,142	**67,142**	62,872
. Other operating costs	—	110,682	**110,682**	218,567
. Allocated costs (Note 7)	—	61,561	**61,561**	35,029
	—	239,385	**239,385**	316,468
Investment management costs	18,056	—	**18,056**	102,945
Costs of trading subsidiary	2,022	—	**2,022**	3,130
Total	20,078	239,385	**259,463**	422,543

7 Support costs and allocation

Support costs and the basis of their allocation were as follows:

	2009 Costs £	Basis of apportionment
Staff costs	**379,254**	Straight line
Premises costs – Eccleston Square	**319,358**	Head count
Premises costs – West Heath Road	**3,212**	Pro rata basis
Other costs	**183,323**	Pro rata basis
	885,147	

No support costs have been allocated to governance costs as the amounts involved would be immaterial.

The above costs have been allocated to each charitable activity as follows:

	£
Costs of Generating funds (note 6)	**61,561**
Bishops' Meetings, General Activities and Grant Making (note 8)	**70,545**
Catholic Education and Formation (note 9)	**75,880**
Christian Life and Worship (note 10)	**50,288**
Christian Responsibility and Citizenship (note 11)	**131,611**
Dialogue and Unity (note 12)	**50,349**
Evangelisation and Catechesis (note 13)	**167,436**
International Affairs (note14)	**61,822**
Catholic Communications Network (note 15)	**96,234**
Catholic Safeguarding Advisory Service (CSAS) (note 16)	**50,523**
Other Projects (note 17)	**68,898**
	885,147

8 Bishops' Meetings, General Activities and Grant Making

	Unrestricted funds £	Restricted funds £	**2009 Total funds £**	2008 Total funds £
Accommodation and other costs	252,323	—	**252,323**	236,975
Allocated support costs (note 7)	70,545		**70,545**	61,814
Foreign exchange losses	18,818	—	**18,818**	—
Grant making:				
Churches Initiative Trust	3,000	—	**3,000**	3,000
INFORM	1,992	—	**1,992**	—
Youth 2000		—		500
Student Cross	1,000	—	**1,000**	—
MACSAS	2,000	—	**2,000**	—
Glories and Majesty revealed		—		2,000
Standing Committee Discretionary Grants	9,970	—	**9,970**	18,300
Category 2				
Caritas Social-Action Network	56,000	—	**56,000**	56,000
National Board of Catholic Women	9,000	—	**9,000**	12,000
NBCW (Development Officer)	13,000	—	**13,000**	13,000
National Conference of Priests	19,000	—	**19,000**	14,500
National Council of Lay Associations	7,600	—	**7,600**	7,000
Category 3				
Churches Committee Hospital Chaplaincy	4,000	—	**4,000**	2,500
Young Christian Workers (National)	7,200	—	**7,200**	—
Category 4				
SIGNIS (OCIC)	1,750	—	**1,750**	1,566
Independent Catholic News	—	—	—	1,000
DCO's Forum	—	—	—	1,000
Churches Media Council	6,300	—	**6,300**	6,000
Diocesan Newspaper Editors' Forum	500	—	**500**	500
Category 5				
Lisbonian Society	—	—	—	5,000
History of English College Lisbon	—	—	—	3,000
Subscriptions				
Group for Evangelisation of CTE	—	—	—	750
Christian Enquiry Agency	—	—	—	1,250
Churches Legislation Advisory Service	15,000	—	**15,000**	22,556
Council of European Bishops' Conferences (CCEE)	8,410	—	**8,410**	7,698
Commission of the Bishops' Conference of the European Community (COMECE)	9,139	—	**9,139**	7,856
Total	516,547	—	**516,547**	485,765

9 Catholic Education and Formation

	Unrestricted funds £	Restricted funds £	**2009 Total funds £**	2008 Total funds £
Staff costs	4,144	30,742	**34,886**	44,770
Other operating costs	15,443	9,292	**24,735**	33,161
Allocated support costs (note 7)	75,880	-	**75,880**	76,785
Total	95,467	40,034	**135,501**	154,716

10 Christian Life and Worship

	Unrestricted funds £	Restricted funds £	**2009 Total funds £**	2008 Total funds £
Staff costs	49,944	—	**49,944**	**46,381**
Other operating costs	26,803	—	**26,803**	**33,641**
Allocated support costs (note 7)	50,288	—	**50,288**	**42,626**
Total	127,035	—	**127,035**	**122,648**

11 Christian Responsibility and Citizenship

	Unrestricted funds £	Restricted funds £	**2009 Total funds £**	2008 Total funds £
Staff costs	139,144	13,263	**152,407**	149,694
Other operating costs	44,956	70,163	**115,119**	253,556
Allocated support costs (note 7)	76,836	54,775	**131,611**	80,898
Grant making:				
Day for Life grants	—	52,040	**52,040**	116,021
Linacre Centre *	—	50,000	**50,000**	50,000
Joint Bio-ethics	—	3,870	**3,870**	3,870
Parliamentary Internship grants	—	42,338	**42,338**	43,982
Total	260,936	286,449	**547,385**	698,021

* CaTEW assumed the sole trusteeship of the Linacre Centre on 27 February 2006

12 Dialogue and Unity

	Unrestricted funds £	Restricted funds £	**2009 Total funds £**	2008 Total funds £
Staff costs	37,719	—	**37,719**	47,668
Other operating costs	24,329	—	**24,329**	35,555
Allocated support costs (note 7)	50,349	—	**50,349**	44,062
Subscriptions and ecumenical instruments (note 12a)	105,903	13,261	**119,164**	152,750
Total	218,300	13,261	**231,561**	280,035

a) Subscriptions and ecumenical instruments

	Unrestricted funds £	Restricted funds £	**2009 Total funds £**	2008 Total funds £
Churches Together	95,063	13,261	**108,324**	**117,767**
CTBI Interfaith	3,364	—	**3,364**	**3,737**
CTBI Racial Justice	7,124	—	**7,124**	**7,913**
Churches Commission on Mission	—	—	**—**	**22,941**
Churches Commission for International Students	352	—	**352**	**392**
	105,903	13,261	**119,164**	**152,750**

13 Evangelisation and Catechesis

	Unrestricted funds £	Restricted funds £	**2009 Total funds £**	2008 Total funds £
Staff costs	4,144	216,254	**220,398**	**211,290**
Other operating costs	2,067	59,444	**61,511**	**172,492**
Allocated support costs (note 7)	125,500	41,936	**167,436**	**178,927**
Total	131,711	317,634	**449,345**	**562,709**

14 International Affairs

	Unrestricted funds £	Restricted funds £	**2009 Total funds £**	2008 Total funds £
Staff costs	94,891	9,460	**104,351**	**103,327**
Other operating costs	47,433	45,618	**93,051**	**40,345**
Allocated support costs (note 7)	61,822	—	**61,822**	**44,402**
Total	204,146	55,078	**259,224**	**188,074**

15 Catholic Communications Network (CCN)

	Unrestricted funds £	Restricted funds £	**2009 Total funds £**	2008 Total funds £
Staff costs	—	190,246	**190,246**	**180,055**
Other operating costs	—	67,325	**67,325**	**92,534**
Allocated support costs (note 7)	—	96,234	**96,234**	**76,877**
Total	—	353,805	**353,805**	**349,466**

16 Catholic Safeguarding Advisory Service (CSAS)

	Unrestricted funds £	Restricted funds £	**2009 Total funds £**	2008 Total funds £
Staff costs	145,813	57,495	**203,308**	**166,754**
Other operating costs	106,820	—	**106,820**	**228,673**
Allocated support costs (note 7)	50,523	—	**50,523**	**65,363**
Total	303,156	57,495	**360,651**	**460,790**

17 Other Projects

	Unrestricted funds £	Restricted funds £	**2009 Total funds £**	2008 Total funds £
Staff costs	—	79,039	**79,039**	9,841
Other operating costs	—	95,182	**95,182**	11,547
Lisbon Trust	—	13,078	**13,078**	42,381
Papal Visit	—	12,959	**12,959**	—
Relics of St Therese	—	22,981	**22,981**	—
Safeguarding Implementation Group	—	25,465	**25,465**	14,374
Catholic Students International Chaplaincy Fund	—	21,132	**21,132**	16,819
Allocated support costs (note 7)	—	68,898	**68,898**	4,000
Grant making:				
Celebrating Family Fund Grants	—	66,761	**66,761**	283,091
Education travel grants	—	2,600	**2,600**	2,300
The Church in the Middle East	—	—	—	50,427
Total	—	408,095	**408,095**	434,780

18 Governance costs

	Unrestricted funds £	Restricted funds £	**2009 Total funds £**	2008 Total funds £
Auditors remuneration				
. Audit fees	13,815	—	**13,815**	15,688
. Other services	—	—	—	2,996
Trustees' expenses	4,062	—	**4,062**	2,324
Other governance costs	3,770	—	**3,770**	954
	21,647	—	**21,647**	21,962

19 Staff costs and trustees' remuneration

	2009 £	2008 £
Staff costs during the year were as follows:		
Wages and salaries	**1,335,797**	1,176,219
Social security costs	**132,231**	123,321
Other pension costs	**50,666**	46,912
Total staff costs	**1,518,694**	1,346,452

Staff numbers per function, calculated on both an average basis and on a full time equivalent (FTE) basis, were as follows:

	2009 Average	2008 Average	2009 FTE	2008 FTE
General Secretariat	**23**	19	**23**	19
Catholic Communications Network	**5**	4	**5**	4
CSAS	**5**	6	**5**	6
National Office for Vocation	**1**	2	**1**	2
CASE	**4**	5	**4**	5
CYS	**1**	1	**1**	1
	39	37	**39**	37

The number of employees earning £60,000 per annum or more (including benefits) during the year was:

	2009	2008
£60,001 – £70,000	**1**	1
£70,001 - £80,000	**1**	1
	2	2

Total employer contributions to money purchase schemes in respect of employees who earned £60,000 or more during the year amounted to £21,953 (2008 - £24,329).

None of the trustees received any remuneration for their services in the year (2008 – none). Travel expenses of £3,412 (2008 - £2,001) were reimbursed to five (2008 – four) trustees during the year.

Trustees' indemnity insurance was purchased during the year. The premium is shared with other organisations and the amount attributable to the charity is not separately identified.

20 Taxation

The Catholic Trust for England and Wales is a registered charity and therefore is not liable to corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

21 Tangible fixed assets

Group and charity	Freehold properties £	Furniture, fittings and computer equipment £	**Total £**
Cost or valuation			
As at 1 January 2009	2,163,973	259,368	**2,423,341**
Additions	1,299,714	66,659	**1,366,373**
Disposals	-	(96,271)	**(96,271)**
As at 31 December 2009	3,463,687	229,756	**3,693,443**
Depreciation			
As at 1 January 2009	122,203	162,141	**284,344**
Charge for the year	31,466	57,126	**88,592**
Disposals	-	(96,271)	**(96,271)**
As at 31 December 2009	153,669	122,996	**276,665**
Net book values			
At 31 December 2009	**3,310,018**	**106,760**	**3,416,778**
At 31 December 2008	**2,041,770**	**97,227**	**2,138,997**

As permitted under FRS 15, the charity has continued to adopt a policy of not revaluing its tangible fixed assets. The book value of freehold properties is based upon book value at the time of transfer from predecessor charities in 2003.

It is likely that there are material differences between the open market values of the charity's freehold properties and their book values. The amount of such differences cannot be ascertained without incurring significant costs, which, in the opinion of the trustees, is not justified in terms of the benefits to the users of the accounts.

22 Investments

	Group 2009 £	Group 2008 £	**Charity 2009 £**	Charity 2008 £
Investment properties (UK) (note a)	**1,991,282**	1,991,282	**1,991,282**	1,991,282
Listed investments (note b)	**3,359,649**	3,581,419	**3,359,649**	3,581,419
Investment in subsidiary company (UK) (note c)	—	—	**25,000**	25,000
	5,350,931	5,572,701	**5,375,931**	5,597,701

22 Investments (continued)

(a) Investment properties

Group and charity	Freehold land and buildings £
Valuation	
At 1 January 2009 and 31 December 2009	**1,991,282**

(b) Listed investments and cash held for re-investment

Group and charity	2009 £	2008 £
Listed investments		
Market value at 1 January 2009	**2,498,748**	4,074,042
Additions at cost	**3,968,407**	381,071
Disposal proceeds	**(3,625,689)**	(1,011,164)
Net investment (losses) gains	**375,711**	(945,185)
Market value at 31 December 2009	**3,217,177**	2,498,764
Cash held by investment managers for re-investment	**142,472**	1,082,655
	3,359,649	3,581,419
Cost of listed investments at 31 December 2009	**2,868,827**	2,687,150

All listed investments were dealt on recognised stock exchanges.

Listed investments held at 31 December 2009 comprised the following:

Group and charity	2009 £	2008 £
UK fixed interest	**1,384,264**	491,214
Overseas holdings	**613,703**	663,272
UK equities	**1,042,925**	1,209,844
Common investment funds	**42,960**	105,765
Other listed investments	**133,325**	28,669
	3,217,177	2,498,764

At 31 December 2009 the following individual investment holdings were considered material in the context of the entire listed portfolio as at that date:

Holding	Market value of holding £	% of total portfolio %
Invesco Perpetual Income & Growth Income Units	**179,815**	5.59
HSBC Asset Management	**301,825**	9.38
HSBC Asset Management Corporate Bond	**165,870**	5.16

22 Investments (Continued)

(c) Investment in subsidiary company

The charity holds 100% of the issued share capital of Colloquium (CaTEW) Limited. This holding was acquired on incorporation of the company on 15 April 2003. Colloquium (CaTEW) Limited is a publishing company registered in England.

The following is a summary of the financial statements of Colloquium (CaTEW) Limited for the year ended 31 December 2009, which have been included in the consolidated financial statements.

	2009	2008
	£	£
Turnover	**17,620**	14,751
Cost of sales	**(1,934)**	(3,050)
Gross profit	**15,686**	11,701
Interest receivable	**—**	597
Administrative expenditure	**(88)**	(80)
Gift aid	**(15,598)**	(12,218)
Net profit for the year	**—**	—
Retained profit at 1 January 2009	**12,932**	12,932
Retained profit at 31 December 2009	**12,932**	12,932
Called up share capital	**25,000**	25,000
At 31 December 2009	**37,932**	37,932

23 Programme related investments

Group and charity	**2009**	2008
	£	£
St Luke's Centre	**1,000,000**	1,000,000
Venerable English College, Rome	**389,628**	399,628
	1,389,628	1,399,628

St Luke's Centre

The St Luke's Centre was purchased by CaTEW in 2006 to provide a Wellness Centre for Priests operated by the St Luke's Institute of Maryland, USA.

It is a project to minister to our priests and religious women and men who so generously give of themselves to serve others.

After an initial two year rent free period, this asset had started to generate rental income from August 2008. This is not at a commercial level.

Venerable English College (VEC), Rome

This investment relates to funds advanced from a constituent charity, the Lisbon Trust Fund, in 1987 and 1993 totalling £428,700, to give financial support to the college.

The college is a seminary for the training of priests for the dioceses of England and Wales.

The VEC agreed to begin repayment of these monies at the rate of £10,000 per annum, commencing 1 January 2006. The rate of repayment will be reviewed after 10 years and the loan is interest free.

24 Debtors

	Group 2009 £	Group 2008 £	**Charity 2009 £**	Charity 2008 £
Prepayments and accrued income	**91,928**	111,354	**91,928**	111,354
Other debtors	**170,383**	97,898	**156,753**	84,324
Amount due from subsidiary undertaking	**—**	—	**12,105**	8,726
	262,311	209,252	**260,786**	204,404

25 Creditors: amounts falling due within one year

	Group 2009 £	Group 2008 £	**Charity 2009 £**	Charity 2008 £
Expense creditors	**59,814**	39,725	**58,394**	39,725
Building refurbishment creditors	**125,318**	221,293	**125,318**	221,293
Social security and other taxes	**51,054**	33,239	**51,054**	33,239
Accruals and deferred income	**651,288**	264,770	**646,352**	264,770
Other creditors	**138,232**	82,212	**139,654**	79,213
	1,025,706	641,239	**1,020,772**	638,240

26 Creditors: amounts falling due after one year

	Group 2009 £	Group 2008 £	**Charity 2009 £**	Charity 2008 £
Deferred income	**267,150**	549,439	**267,150**	549,439
Building refurbishment creditors	**—**	28,336	**—**	28,336
	267,150	577,775	**267,150**	577,775

A donation of £1,000,000 was received during 2007 to be used specifically over the course of a three year project. £294,258 is included within 'Accruals and deferred income' in note 25 (amounts falling due within one year) and the balance will be recognised in subsequent periods. £267,150 is included in 'deferred income' (amounts falling after one year).

27 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances held on trust to be applied for specific purposes.

Group and charity	At 1 January 2009 £	Incoming resources £	Resources expended £	Transfers between funds £	**At 31 December 2009 £**
Catholic Youth Reserve	55,870	165	50,299	—	**5,736**
Diocesan Reserve	102,431	342	2,600	—	**100,173**
Day for Life	225,201	300,437	176,868	—	**348,770**
Catholic Students International Chaplaincy Fund	659,100	2,201	28,927	—	**632,374**
Catholic Communications Network (CCN)	211,256	306,377	353,805	50,169	**213,997**
Office for Refugee Policy	17,161	81	55,078	37,918	**82**
Safeguarding Reserve	8,043	49,454	57,497	—	—
Relics of St Therese	30,512	11,773	42,182	—	**103**
Safeguarding Implementation Group	35,626	99	31,907	—	**3,818**
Lisbon Fund	467,414	22,333	17,902	—	**471,845**
Funds raised for other FIF projects					
Faith in the Future *	352,326	546,910	434,032	(183,515)	**281,689**
Papal Visit	—	100,018	19,894	—	**80,124**
CASE	—	217,496	241,531	24,035	—
National Office for Vocations	—	9,026	40,034	31,008	—
Internships	—	3,046	109,581	106,536	**1**
Youth work	88,329	50	76,102	2,220	**14,497**
Ecumenical Instruments	15,970	3,000	13,261	—	**5,709**
Other funds	18,334	2,240	19,736	12,344	**13,182**
	2,287,573	1,575,048	1,771,236	80,715	**2,172,100**

The transfers from general funds to the restricted funds during the year represent additional funds required to assist in the support of various projects.

transfer from Faith in the Future to other funds to carry out specific project work

The purposes of the main funds (where not apparent from their title) are:

Catholic Youth Reserve

A reserve held previously by the National Catholic Fund for expenditure associated with young people.

Diocesan reserve

A fund to assist dioceses which are in financial need. Small grants have been made from this fund to subsidise home to school transport in remote areas of England and Wales.

Day for Life

An annual Day for Life is celebrated in England and Wales to promote the sanctity of human life. The parish collection taken on the day funds the Bishops' Conference contribution to the Linacre Centre for Healthcare Ethics, the production of pro-life materials and other designated charities as determined annually.

27 Restricted funds (continued)

Catholic Students International Chaplaincy Fund
This fund was transferred by the Catholic Students International Chaplaincy Fund as a restricted fund within the Trust for grant making purposes. The funds remain restricted for five years after the signing of the Trust deed after which point the use of the funds are at the discretion of the Trust.

Catholic Communications Network (CCN)
This office of the Bishops' Conference is funded almost entirely by proceeds from the World Communications Day collection in England and Wales specifically for Catholic communications.

Office for Refugee policy
The reserve relates to the balance of a grant from CAFOD, to support the Bishops in addressing the pastoral, social and cultural implications of asylum, trafficking and migration. Funding for this office is one of the elements of the Trust's fundraising policy.

Safeguarding Reserve
This denotes reserves accrued under expenditure for safeguarding activities, including CSAS.

Relics of St Therese
At the request of Cardinal Cormac Murphy-O'Connor and the Bishops of England and Wales, the relics of St Therese of Lisieux will be visiting England and Wales from 16 September to 16 October 2009. This fund represents monies donated to contribute towards the cost of the visit of the relics to England and Wales.

Safeguarding Implementation Group
This fund represents monies set aside to fund the cost of the Safeguarding Implementation Group, who were appointed by the Bishops to review the recommendations of the Cumberlege Commission report, Safeguarding with Confidence.

Lisbon Fund
This fund was inherited from the Lisbon Trust Fund for the purposes of maintaining a property owned by the English College Lisbon to fulfil the requirements of the Holy See on the closure of the seminary. The sale of the property completed during 2008 and the proceeds are to be administered according to the requirements of a 1973 decree of the Holy See.

Faith in the Future initiatives
This represents monies raised under the *Faith in the Future* fundraising initiative as yet unallocated, or to fund the costs of the fundraising function, and funds raised in pursuit of the aims of the Faith in the Future initiative and distributed to other parts of the Church or partners in the mission of the Catholic Church.

Papal Visit
This fund represents donations received towards and the costs incurred in relation to the visit of His Holiness Pope Benedict XVI to the United Kingdom.

Catholic Agency to Support Evangelisation (CASE)
To collect and distribute funds for the Catholic Agency to Support Evangelisation. This is largely funded from the Home Mission Sunday Collection and other donations. The trustees allocate resources from general funds to meet the requirements of this priority area for the Bishops' Conference.

27 Restricted funds (continued)

National Office for Vocations

The National Office for Vocations was established in 2002 with a two-fold remit - to develop the Vatican II understanding of vocation in the Church and to promote particular vocations especially priesthood. The trustees allocate resources from general funds to meet the budget requirements of this priority area for the Bishops' Conference.

Internships

In 2002, the Catholic Parliamentary Internship Programme was created to enable graduates to be placed, each year, with Christian MPs at Westminster. The programme includes part time study at Heythrop College, exposure to the work of the Catholic Church at national and international level and regular spiritual guidance. Funding for this programme is one of the elements of the Trust's fundraising policy. The programme has been expanded to graduates being placed both with MPs in Brussels, and executive staff within other agencies of the Bishops' Conference.

Youth work

To collect and distribute that part of the national Youth Sunday collection that the Bishops' Conference allocates through a Diocesan Assessment to Catholic Youth work.

Ecumenical Instruments

To receive Diocesan contributions to the subscriptions made, on behalf of the Catholic Church in England and Wales, to the Ecumenical Instruments in Britain and Ireland.

28 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for a specific purpose:

Group and charity	At 1 January 2009 £	Designated/ released in year £	**At 31 December 2009 £**
Tangible fixed assets fund	2,138,997	1,277,781	**3,416,778**
Investment property fund	-	1,991,282	**1,991,282**
Programme related investments fund	-	1,389,628	**1,389,628**
Ad Limina	-	48,428	**48,428**
Repairs and maintenance fund	1,270,000	(1,270,000)	-
	3,408,997	3,437,119	**6,846,116**

The tangible fixed assets fund represents the net book value of the charity's tangible fixed assets held as part of the unrestricted funds. A decision was made to separate this fund from the general fund of the charity in recognition of the fact that the tangible fixed assets are essential to the day to day work of the charity and as they are not regarded as realisable with ease in order to meet contingencies.

The investment properties fund and programme related investments fund represents the value of investment properties and programme related investments. A decision was made to separate these funds from the general fund of the charity in recognition that they are not realisable with ease.

The repairs and maintenance fund represents the amount set aside for the major refurbishment and other repair work at the principal office in Eccleston Square. This has been released in the year as the refurbishment work has now been completed in the year.

29 Designated funds

The Ad Limina fund represents monies set aside for funding the five yearly review of the Bishops and Diocesan work with His Holiday the Pope, taking place in February 2010.

30 Analysis of net assets between funds

Group	General funds £	Designated funds £	Trading subsidiary £	Restricted funds £	**Total 2009 £**
Fund balances at 31 December 2009					
Are represented by:					
Fixed assets	—	3,416,778	—	—	**3,416,778**
Investments	2,665,663	3,429,338	—	645,558	**6,740,559**
Current assets	—	—	58,462	1,526,542	**1,585,004**
Inter-fund loan	(561,408)	—	—	561,408	—
Creditors: amounts falling due within one year	(710,918)	—	(20,530)	(294,258)	**(1,025,706)**
Creditors: amounts falling due after one year	—	—	—	(267,150)	**(267,150)**
Total net assets	1,393,337	6,846,116	37,932	2,172,100	**10,449,485**

31 Leasing commitments

Operating leases

At 31 December 2009, the charity had annual commitments under non-cancellable operating leases which expire as follows:

	Land and buildings		Equipment	
	2009 £	2008 £	**2009 £**	2008 £
Operating leases which expire:				
Within one year	—	53,420	**1,591**	1,011
Within two to five years	**13,084**	—	**8,620**	8,174
	13,084	53,420	**10,211**	9,185

32 Contingent Liability

As a result of the sale of the Alto Villa of the English College in Portugal, there is a possible tax liability of a maximum of €110,000 which could arise should the Portuguese tax authorities deem the proceeds of the sale of this property as taxable. An application has been made to the tax authorities for confirmation that the proceeds arising from the property sale are not taxable given the legal status of the English College under Portuguese law. The application has requested that the tax authorities give clarification of the situation before the end of 2009. Given the uncertainty regarding the potential tax liability, the trustees deem the likelihood of any payment to the Portuguese tax authorities occurring as being low.

33 Post balance sheet events

The UK Government and the Catholic Bishops' Conferences of Scotland, England and Wales have welcomed the forthcoming visit to the United Kingdom of His Holiness Pope Benedict XVI. The Papal Visit represents an unprecedented opportunity to strengthen ties between the UK and the Holy See on global initiatives, as well as the important role of faith in creating strong communities.

Management of the forthcoming Papal Visit has been to create a new company and charity, 'The Papal Visit', being a subsidiary of CaTEW, and a new trading company called 'The Papal Visit 2010', to deal with any commercial aspect of the visit. The assets and liabilities associate with the Papal Visit were transferred from CaTEW to the new companies in May 2010.